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Summary record of the 31st meeting
Held at Headquarters, New York, on Wednesday, 3 November 1999, at 3 p.m.

Chairman: Mr. Niculescu (Vice-Chairman) ..... (Romania)

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In the absence of Mr. Olhaye (Djibouti), Mr. Niculescu (Romania), Vice-Chairman, took the Chair.

The meeting was called to order at 3.20 p.m.

Agenda item 99: Sustainable development and international economic cooperation *(continued)* (A/C.2/54/L.20)

(a) Implementation of the commitments and policies agreed upon in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and implementation of the International Development Strategy for the Fourth United Nations Development Decade *(continued)*

1. **Mr. Talbot** (Guyana), introducing the draft resolution on behalf of the Group of 77 and China, said that since the Fourth United Nations Development Decade would end in 2000, the draft resolution requested the Secretary-General to submit to the General Assembly at its fifty-fifth session both a final evaluation and a draft international development strategy for the first decade of the new millennium, taking into account changes in the world economy as a result of globalization, interdependence and liberalization and the rapid advances in science and technology and the outcome of the Agenda for Development and of the major United Nations conferences and summits held during the current decade.

Agenda item 98: Sectoral policy questions

(a) Industrial development cooperation

(b) Business and development (A/54/320 and A/54/451)

2. **Mr. Sersale Di Cerisano** (Special Representative of the Director-General of the United Nations Industrial Development Organization (UNIDO)), introducing the report of the Secretary-General on implementation of the programme for the Second Industrial Development Decade for Africa (1993-2002) (A/54/320), said that Africa's marginalization from the global economy could be reversed only through industrial growth. Unless the continent's growth rates were significantly accelerated, it would take Africa until 2010 to regain per capita income levels of 1974. Programmes to promote recovery and consequent growth of manufacturing should be tailored to the specific needs of countries and should focus on competitiveness, productive employment and access thereto and the development or adaptation of sound technologies; UNIDO activities were targeting those goals through, *inter alia*, support for the private sector.

3. UNIDO had been actively involved in implementation of the Decade through the Plan of Action of the Alliance for Africa's Industrialization. At the policy level, UNIDO, in cooperation with the Organization of African Unity (OAU) and the Economic Commission for Africa (ECA), had established the coordinating mechanisms of the Patron's Group of Heads of State and Government. It had also contributed to the Dakar Declaration on the Future Competitiveness of African Economies of 5 March 1999 and had helped to organize the Conference on Industrial Partnership and Investment, held in Dakar in October 1999.

4. At the programme level, UNIDO had developed a portfolio of integrated services to address the challenges of industrial growth in Africa, focusing on the three core dimensions of sustainable industrial development: a competitive economy, productive employment and a sound environment. All its capacity-building activities and support services were directed towards the goal of sustainable industrial development and were fully coordinated with the United Nations Development Assistance Framework (UNDAF) and the United Nations system-wide Special Initiative on Africa. In that regard, a number of resident coordinators had recently travelled to Vienna to discuss the incorporation of selected UNIDO programmes into their common framework.

5. Lastly, at the financial level, UNIDO had decided to concentrate 70 per cent of its resources and fund mobilization efforts on integrated programmes in Africa. Japan, Italy, France, Germany, Denmark, the Netherlands, Switzerland and other donor countries had contributed up to $US 30 million to that initiative in addition to the $US 10 million provided by UNIDO.

6. The report contained recommendations for capacity-building activities at all levels, including investment and technology promotion and enterprise support services; enhancement of technical capacity in order to overcome barriers to trade in industrial products; strengthened complementarity between aid and investment in the manufacturing sector; use of debt-for-industrial-development swaps as a financing mechanism for industrial projects; increased investment in small and medium-sized manufacturing enterprises; and promotion of foreign private sector venture capital investment in the manufacturing sector, together with a corporate tax reduction in the investor's home country.

7. **Mr. Bertucci** (Director of the Division for Public Economics and Public Administration), introducing the

report of the Secretary-General on business and development (A/54/451), said that it was representative of United Nations commitment to the promotion of entrepreneurship and of wider participation by the private sector in the development and peace processes. The report reflected the diverse nature of the relationship between business and development and the need to facilitate intergovernmental dialogue; develop an international "soft infrastructure" for the orderly interaction of business; carry out advocacy; gather, analyse and disseminate information; and provide technical cooperation. The primary focus had been on the increasing importance of the private sector in the development process and on the crucial role of the State in creating an enabling environment for development of the private sector and maximization of its benefits.

8. Member States had shown an interest in the participation of the private sector in the fulfilment of the Organization's goals and in embracing universal principles and norms. The business sector had become one of the Organization's major partners, particularly in the follow-up to international conferences, as seen in the global compact proposed by the Secretary-General at the World Economic Forum held in Davos in January 1999. The report also covered United Nations initiatives to foster that partnership.

The meeting rose at 3.50 p.m.